

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Open Session

November 9, 2005

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, November 9, 2005 beginning at 9:43 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

George B. Beardsley, First Vice President
Thomas A. Gougeon, Vice President
Denise S. Maes, Vice President
Penfield W. Tate, Vice President

Board employees and others present during portions of the Meeting were:

H. J. Barry, Manager
P. L. Wells, General Counsel
D. B. LaFrance, Director of Finance
M. Hoddinott, *Acting* Director of Planning
M. L. Bassett, Director of Public Affairs
M. Ranger, *Acting* Director of Operations and Maintenance
J. H. Bambei, Jr., *Acting* Director Engineering
C. R. Dermody, Director of Information Technology
C. Elam-Floyd, Manager of Human Resources
G. T. Malmberg, Sales Administrator
S. Renouf, Community Affairs Specialist
M. L. Walker, Attorney
H. C. Teigen, Chief of Distribution and Property Management
G. Fisher, Chief Planner
L. Firth, Manager of Community Relations
J. E. Crockett, Manager of Risk & Benefit
E. V. Gardener, Manager of Water Conservation
T. L. McGuire-Collier, Manager of Media Relations
P. Miller, Manager of Customer Service
G. Wilcox, Manager of Budgeting
J.F. Davis, Attorney
K. K. Riegle, Attorney
M. McAllister, Public Affairs

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S. Price, Engineer
M. Garcia, Engineer
J. Hagen, Purchasing Agent
G. A. Hempelman, Engineer
T. Chavez, Community Affairs Specialist
L. S. Likes, Appraiser-Negotiator
G. Barela, Staff Analyst
L. Billeter, Staff Analyst
Roberta Simonton, Citizens' Advisory Committee
Dave Romero, Denver Parks and Recreation
Brenda O'Brien, GreenCo
Taryn Hutchins Cabibi, Western Resource Advocates
Terry Arnold, MWH
Gardiner Hammond, Landmark Properties
Steve Coffin, GBSM

Commissioner Beardsley called the meeting to order.

Upon motion regularly made, seconded and unanimously carried, the reading of the Minutes of the Regular Meeting of October 19, 2005 was dispensed with and such Minutes were approved.

Upon motion regularly made, seconded and unanimously carried, the Minutes of the Executive Sessions of October 19, 2005 were approved.

Commissioner Beardsley issued an invitation to members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was no response.

Commissioner Beardsley welcomed Commissioner Tate as a member of the Board of Water Commissioners. Commissioner Beardsley commented on the long record of public service that Commissioner Tate had provided to the City and County of Denver and the State of Colorado.

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

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1. **ITEM V-D-1: EXTENSION OF ANNUAL CONTRACT AND ADDITION OF FUNDS FOR RESILIENT SEATED GATE VALVES**
Authorized extension of the October 13, 2004 contract with Clow Valve Company to provide the Board's requirements of resilient seated gate valves through October 31, 2006 at the original unit prices for an additional \$218,039 and a total amended contract not to exceed \$470,000.
2. **ITEM V-D-2: EXTENSION OF ANNUAL CONTRACT FOR DUCTILE IRON SINGLE GASKET PIPE**
Authorized extension of the November 10, 2004 contract with Mountain States Pipe and Supply Company to provide the Board's requirements for ductile iron single gasket pipe through November 30, 2006 with a 12% increase in unit prices and a total contract amount not to exceed \$520,155.
3. **ITEM V-D-3: RATIFICATION OF EXPENDITURES FOR ARTICULATED TRUCKS AND BULLDOZERS FOR MARSTON RESERVOIR**
Ratified rental of two Caterpillar Model D6LGP (Low Ground Pressure) Bulldozers and two Caterpillar Model 740-40 ton articulated trucks from Wagner Equipment needed for the weed removal project at Marston Reservoir through March 1, 2006, at monthly rental rates of \$10,026 for the bulldozers and \$13,694 for the trucks, plus scheduled maintenance of approximately \$6,000, resulting in an estimated total contract amount of \$195,760.
4. **ITEM V-D-4: EXTENSION OF ANNUAL CONTRACT AND ADDITION OF FUNDS FOR DRY BARREL FIRE HYDRANTS**
Authorized extension of the December 17, 2003 agreement with American Flow Control to provide the Board's requirements of dry barrel fire hydrants through January 31, 2007, with a 7% increase in unit prices, for an additional \$114,000, and a total amended contract amount not to exceed \$500,000.
5. **ITEM V-D-5: EXTENSION OF ANNUAL CONTRACT AND ADDITION OF FUNDS FOR MECHANICAL JOINT DUCTILE IRON FITTINGS**
Authorized extension of the December 17, 2003 contract with Star Pipe Products to provide the Board's requirements of mechanical joint ductile iron fittings through January 31, 2007, with a 6% increase in unit prices, for an additional \$110,006.80 and a total amended contract cost not to exceed \$386,000.

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6. **ITEM V-D-6: ANNUAL CONTRACT FOR PURCHASE OF TIRES, TIRE REPAIR SERVICE, ALIGNMENTS AND REPAIRS**

Authorized award of a contract to A&E Tire to furnish tires, tire repair service, front end alignments and roadside service through November 30, 2007, at the unit prices provided in the tabulation of Bidders' Proposal No. 08439A, dated November 1, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "A," for a total contract amount not to exceed \$300,000, such award being based on lowest price and compliance with specifications.

7. **ITEM V-D-7: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDER AND AMENDMENT TO AGREEMENT**

Ratified the Construction Contract Change Order and Amendment to an Agreement authorized by the Manager in September 2005 as follows:

Change Order No. 1 to the July 13, 2005 Contract with Donald E. Jagger Roofing Company for roofing replacement and staircase installation at the Foothills Treatment Plant headworks building; and

Amendment No. 2 to the March 18, 2004 Contract with Commercial Testing Laboratories, a Division of CTL/Thompson, Inc. to provide laboratory and field testing of soil and concrete and structural and foundation investigations,

all as more particularly described in Agenda Item V-D-7, dated November 9, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "B."

8. **ITEM V-D-8: CONTRACT FOR CIS PROJECT RELATED PROFESSIONAL SERVICES WITH LANGHAM CONSULTING SERVICES, INC.**

Approved entering into a Consulting Services Agreement with Langham Consulting Services, Inc., to provide the services of Mr. Tim Almond to serve as project co-manager for implementation of the CIS project for a term not to extend beyond February 28, 2007, and at a cost to the Board not to exceed \$285,000, all as more particularly described in the Consulting Services Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "C."

Mr. Dermody explained the current CIS IT project manager has also been assigned as the IT project manager for the mobile workforce automation

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project, and it is important to the successful and timely completion of the CIS project to hire an additional person.

9. **ITEM V-D-9: CONTRACT RENEWAL FOR CIS PROJECT RELATED PROFESSIONAL SERVICES WITH BURNTSAND, INC.**

Approved entering into a Consulting Services Agreement with Burntsand, Inc., to provide the services of Mr. John Daum, to serve as a solutions architect on the Customer Information System for a term to be completed no later than February 28, 2007, and at a cost not to exceed \$264,000, all as more particularly described in the Consulting Services Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "D."

Mr. Dermody explained that Mr. Daum has been working in the role of solutions architect on the CIS Project for the last year, and that it would be important to maintain the relationship with Mr. Daum for successful and timely completion of the new CIS implementation project.

10. **ITEM V-D-10: AUTHORIZATION OF A SALE OF PROPERTY TO RICHMOND AMERICA HOMES OF COLORADO INC.**

Having declared the property surplus at the July 10, 2002 meeting, authorized sale of a 9.798 parcel at 4501 W. Bowles Avenue, and more particularly described on Exhibit "E" attached to and incorporated in these Minutes, to Richmond America Homes of Colorado, Inc., for the sum of \$4,500,000, closing to occur within 18 months, all as more specifically provided in the Agreement Concerning Purchase and Sale of a Property in Arapahoe County, Colorado, a copy of which is attached to and incorporated in these Minutes as Exhibit "F."

11. **ITEM V-D-11: DECLARATION OF SURPLUS PROPERTY AND AUTHORIZATION OF SALE TO COLORADO INTERNATIONAL CENTER, LLC**

Declared a parcel of the High Line Canal Property located in Section 10, Township 3 South, Range 66 West, of the 6th Principal Meridian in Adams County, Colorado, comprising approximately 1.394 acres, and more specifically described in Exhibit "G," attached to and incorporated in these Minutes, no longer useful for or needed in the waterworks operations, and authorized the sale of such property to Colorado International Center, LLC, a Colorado limited liability company, for \$109,550, pursuant to the terms and

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conditions described in the Purchase and Sale Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "H."

Mr. Teigen provided a copy of an aerial photograph to the Commissioners, a copy of which is attached to and incorporated in these Minutes as Exhibit "I," which depicts the alignment of the High Line Canal north of 38th Avenue, and describes the various conveyances of the High Line property which have been made.

12. ITEM V-E-1: HUMAN RESOURCE CHANGES

Approved the human resource changes set forth in Agenda Item V-E-1 dated November 9, 2005, a copy of which is attached to and incorporated in these minutes as Exhibit "J," effective the pay period ending **November 4, 2005** unless otherwise noted.

13. ITEM V-E-2: EMPLOYEES ELIGIBLE FOR REGULAR STATUS

The following employees were classified as regular employees of the Board, with all rights and privileges thereof, effective **November 1, 2005**, unless otherwise noted:

Employee Name	Employment Date	Retirement Plan Participation Date Unless otherwise noted^	Division/Section
Aleksandr Kaplun	4/25/2005	4/25/2005	Information Technology #160
Matthew Larson	4/7/2005	4/7/2005	Information Technology #160
David Ursetta	5/2/2005	5/2/2005	Information Technology #160
Steven Price	5/2/2005	5/2/2005	Programs and Projects #210
Andrew Appell	4/25/2005	4/25/2005	General Planning #350
Gary Brockett	4/18/2005	4/18/2005	Risk & Benefits #422
Jeffrey Bogner	5/26/2004	5/26/2004	Customer Service – Field #465

14. ITEM V-E-3: PROJECT EMPLOYEE CONTRACTS

The following Project Employee Contract was approved:

Employee Name, Title, Salary, Std Hrs.	Estimated Completion Date	Estimated Salary Cost	Division/Section, Project
Dana Larson Administrative Assistant III, \$16.71/hr – ATS-05, Step 3 Full-Time Status, 40 Standard Hours	May 5, 2007	\$52,128.00 (One Year & Six Months)	Conservation #022

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The following Project Employee Contract was approved for renewal:

Employee Name, Title, Salary, Std Hrs.	Estimated Completion Date	Estimated Salary Cost	Division/Section, Project
Daniel J. Crownhart IT Application Developer III, \$6,555/mo. – IT-06, Step 8 Full-Time Status, 40 Standard Hours	April 30, 2007	\$117,990.00 (One Year and Six Months)	Information Technology #160

15. **ITEM VI-B-1: DISCUSSION AND INFORMATION: CAPITOL HILL RECYCLED WATER STORAGE TANK STATUS**

Mr. Price provided the Commissioners and the public with a copy of his presentation, a copy of which is attached to and incorporated in these Minutes as Exhibit “K.” Mr. Price then explained that work required to demolish Basin 2 at the Capitol Hill Reservoir Complex, and rebuild a recycled water storage tank on the site would be the subject of a construction management/general contractor agreement, which would be brought to the Board for its approval at the December 14th meeting. Demolition is expected to commence in January 2006 and construction is to be completed early 2007. The recycled water tank will be post-tensioned concrete storage tank, and Garney Construction has the necessary qualifications for its construction. Mr. Price described the present status of the design, the preliminary cost estimate (\$7.6 million), the planned construction phases and overall schedule. The CM/GC approach will be similar to that utilized by the Board in the construction of the Recycle Plant.

16. **ITEM VI-B-2: DISCUSSION AND INFORMATION: CONTINUATION OF CONSERVATION PLAN DISCUSSION**

Ms. Gardener provided the Commissioners with an outline of the proposed budget which prioritized the Conservation Section’s efforts for the coming year. A copy is attached to and incorporated in these Minutes as Exhibit “L.” Following an extended discussion, the consensus of the Commissioners was to move forward to develop the specifications of the Priority 1 projects and selected Priority 2 projects. The Commissioners discussed incentive projects to more adequately prepare landscaping at individual homes and expressed interest in working with the Metro Mayors Caucus to develop land use programs which would require proper soil amendment prior to installation of

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new landscaping. Individual contracts for new projects with a cost greater than \$100,000 will be brought to the Board for more complete discussion and approval.

17. **ITEM VI-B-3: DISCUSSION AND INFORMATION: CONTINUATION OF COMMUNICATION PLAN DISCUSSION**

Ms. Firth provided the Commissioners with an outline of the process for the Communications Plan, including goals, proposed themes and messages, a copy of which is attached to and incorporated in these Minutes as Exhibit "M." The consensus of the Commissioners was the need to broaden the goals to help individual homeowners decide how to use water wisely, to broaden the audience, and to work with other communities to address water issues with a more unified approach.

18. **ITEM VI-F-1: DISCUSSION AND INFORMATION: STATUS OF THE INVESTMENT PORTFOLIO**

The Commissioners received the report: "Denver Water Investment Portfolio as of October 31, 2005" as set forth in Agenda Item VI-F-1 dated November 9, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "N."

19. **ITEM VI-F-2: DISCUSSION AND INFORMATION: STATUS OF CONTRACT WORK**

The Commissioners received the report: "Status of Contract Work," dated November 9, 2005, a copy of which is attached to and incorporated in these Minutes as Exhibit "O."

20. **ITEM VI-F-3: DISCUSSION AND INFORMATION: BUDGET STATUS REPORT**

The Commissioners received the 2005 Budget Status Summary for the period ending **October 31, 2005**, a copy of which is attached to and incorporated in these Minutes as Exhibit "P."

21. **ITEM VI-G-1: SCHEDULING OF FUTURE BOARD MEETINGS**

The Board confirmed a Study Session will take place on **Wednesday, November 30, 2005**, at **9:00 a.m.** in the Three Stone Buildings, 1600 W. 12th Avenue, Denver, Colorado. The topics to be discussed include the contingent drought response plan, the communication plan, a preview of legislation for

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the upcoming session and a review of activities involving the statewide water supply initiative (SWSI) and activities involving HB1177.

The Board will meet **Wednesday December 7, 2005** in the Board Room of the Gates Family Foundation, 3575 Cherry Creek North Drive, from 8:00 to 11:30 a.m. to discuss updates to the Integrated Resource Plan.

The Board confirmed that the next regular meeting would take place on **Wednesday, December 14, 2005, at 9:15 a.m.** in the Board Room, Room 309, 1600 W. 12th Avenue, Denver, Colorado. The Board does not plan to meet again until 2006.

No further business appearing, the Board voted unanimously to adjourn into Executive Session at approximately 11:45 a.m.

EXECUTIVE SESSION

On Wednesday, November 9, 2005, commencing approximately at 11:50 a.m. in the Manager's Office, located in the Administration Building, 1600 West 12th Avenue, Denver, Colorado, the Board of Water Commissioners met in Executive Session. The following matters which are authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34 were discussed during the Executive Session:

1. Attorney-client communication – update on litigation and claims. §24-6-402(4)(b)
2. Personnel Matters § 24-6-402(4)(f)(I)
3. Negotiations with Xcel Energy on water and power issues. §24-6-204(4)(e)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 12:40 p.m.

President

Secretary